



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

April 23, 2009

Eliot Dratch, Training & Development Manager
Lasco Bathware, Inc.
801 E. Kaiser Blvd., #200
Anaheim CA 92808-2287

Dear Mr. Dratch:

RE: **FINAL MONITORING REPORT** for Lasco Bathware, Inc. (Lasco) – ET07-0316

Date of the Visit:	04/21/09
Beginning/Ending Time:	10:30 a.m. – 11:30 a.m.
Date of Last Visit:	11/14/08
Visit Location:	Via Teleconference
Persons in attendance:	Eliot Dratch, Training & Development Manager, Lasco, and Carole Robinson ETP Contract Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	04/30/07 – 04/29/09	Agreement Amount:	\$137,088
Training Start Date:	05/19/07	No. to Retain:	68
Date Training must be Completed:	01/27/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	112

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 06/21/07 and training began on 05/19/07. You reported that all training was completed on 01/23/09, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement (04/29/09).

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5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
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www.etp.ca.gov
ETP (04/15/05)

There were no Revision Requests made during the term of the Agreement.

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

You reported no major difficulties with the administration of the Agreement. You stated that, as a result of the nationwide economic downturn over the past two years, Lasco restructured its California operations and laid off approximately 90 percent of the Mira Loma manufacturing workers and about one-half of its Anaheim headquarters staff. The resulting disruption of several layoff events during the term of the Agreement precluded delivery of most of the training topics in the ETP approved training plan. However, those employees who were able to attend class/lab training sessions gained valuable new job-related skills in lean manufacturing processes that could be used in subsequent employment to help other California manufacturers reduce production waste, etc.

According to ETP records at the time of this final meeting, Lasco retained 50 employees (14% of planned retention). The company will potentially earn a total reimbursement of \$32,346 (24 percent of the encumbered amount) provided all other terms and conditions of the Agreement are met. However, you indicated that some of the 50 trainees who completed at least the minimum number of training hours (24) may have been subsequently laid off prior to completion of a 90-day retention period. You stated that you would review each eligible trainee's employment history and ETP training records to determine if all ETP eligibility factors have been met.

Current records show that Lasco has not submitted any invoices for progress or final payments. Ms. Robinson reminded you that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement (05/30/09). She also provided you with information regarding ETP's Help Desk to assist you with ETP on-line invoicing processes.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Enrolled:	368	Completed Training:	50
Dropped Following Enrollment:	318	Completed Retention:	*unk
No. Completed Minimum Reimbursable Hours :	50	In Retention Period:	0

* Because some of the 50 trainees who completed training may not meet all of the terms and conditions of the Agreement, the actual number to be submitted for Final Payment is unknown as of the date of this Final Monitoring report.

ATTENDANCE ROSTERS/INVOICES:

Ms. Robinson conducted a desk review of faxed rosters for all class/lab attendance for two randomly selected trainees who are enrolled in Job 1. She compared the rosters to the

Agreement's Curriculum and checked to ensure that each roster contained the necessary information required by ETP, under Title 22, California Code of Regulations, 4442. In addition, she compared the number of training hours in Lasco's tracking records for the two retrainees selected with the number of training hours documented on the applicable Class/lab Rosters.

Ms. Robinson found that the records reviewed for the two selected retrainees contained the necessary information required by ETP and the Class topics matched those contained in the Agreement's Curriculum. The review of the above sample also verified that the hours reported on Lasco's tracking records matched those contained within the applicable Class/lab Rosters.

SUBAGREEMENTS:

You reported that all training was delivered by in-house trainers (employees of Lasco) and no subagreements were made with any outside vendor relating to the delivery of training.

AUDIT:

Lasco will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

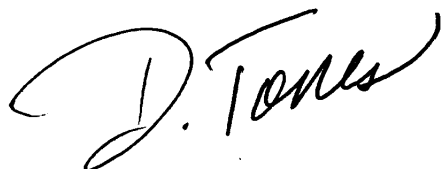
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Torres". The signature is fluid and cursive, with a large initial "D" and a stylized "Torres".

Diana Torres, Manager
San Diego Field Office

A handwritten signature in black ink, appearing to read "Carole Robinson". The signature is cursive and elegant, with a large initial "C" and a stylized "Robinson".

Carole Robinson, Contract Analyst
San Diego Field Office

cc: Kulbir Mayall, Manager, ETP Fiscal Unit
Master File
SD Project File

Date report mailed to Contractor 05/01/09